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Report Highlights:

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INDIA TO INSIST ON INCLUSION OF SPECIAL PROVISIONS AT WTO MEET

India will insist on inclusion of special provisions for developing countries in the framework of negotiations to be discussed at the WTO meeting beginning on March 22. Commerce Ministry officials reportedly said that although both the United States and the European Union were keen to have a framework in place by June 2004, India could agree only to those modalities that had provisions to address the sensitivities of developing countries. Commenting on the US-EU proposal to have a special list of sensitive products for each country, Indian officials said it was impossible for India to come up with such a list, as it is an agro-diverse country. (Financial Express, 02/26/04)

INDIA MUST BE MORE PROACTIVE IN WTO – WORLD BANK ECONOMIST

India should take a "much more proactive and constructive engagement" in the negotiating process of the WTO by persisting with its "liberalizing" approach in all key domestic areas, including agriculture, according to Lead Economist of the Development Research Group, World Bank, Mr. Aaditya Mattoo. "On the one hand, India has a comparative advantage in agriculture. But the net sum of all our [India's] policies seem to penalize rather than help this sector," he said. He added that "our position in the WTO is focused on retaining the right to protect our agriculture – so it is not simply credible to participate in the WTO process based on the notion of special and differential treatment." Mr. Mattoo was in India for the release of a book on "India and the WTO." (Business Line, 02/23/04)

CANCUN ISSUES TO TOP G-15 AGENDA

The Group of 15 nations (G-15) summit, to be held in Venezuela February 27-28, 2004, will focus on the issues raised at the Cancun WTO meeting. It is also understood that India will emphasize the implementation of various strategies devised at the earlier summits. At the past few summits, India had come out strongly against protectionism adopted by several developed countries. The G-15 members at the Cairo summit had adopted positions that called on developed countries to change their trade policies, which discriminated against the developing nations. The summit will focus on various ways to strengthen the South-South cooperation. (Financial Express, 02/21/04)

(Post Comment: Prime Minister Vajpayee will not attend the G-15 summit, due to his engagements in the upcoming national election. He has deputed Minister for External Affairs Minister, Yashwant Sinha, to represent India).

RAASI SEEDS PLANS TO START CONTRACT FARMING IN COTTON - AWAITS CLEARANCE OF ITS BT COTTON HYBRIDS

Rasi Seeds Private Limited, which produces a large variety of cotton hybrid seeds and operates a spinning mill, recently revealed its plans to take up contract farming in cotton, introducing a new concept of "Lab to Fashion". The company is awaiting clearance from the Genetic Engineering Approval Committee (GEAC) for the commercial release of its Bt hybrid cotton seeds, incorporating the gene under license from Monsanto. Findings of the trials conducted by the company and government agencies are expected to be submitted next month. The four Bt cotton hybrids developed by the company are in the long and extra long staple length category which are in great demand in the region.

Post Comment: Industry sources reveal that a decision on the commercial release of cotton would be taken up either at the March 10 or April 14, 2004, GEAC meeting. They also indicated that the government is under pressure to prove the performance of the Bt

technology by releasing these latest Bt cotton hybrids, in order to compare them to the performance of the only other Bt cotton hybrid currently available in the market, sold by Mahyco Monsanto Biotech India Limited. Industry sources are confident that once approved these new varieties will go a long way in mitigating the problem of illegal marketing of spurious Bt cotton hybrid seeds. (Source: Financial Express 2/26/07)

GROUND WATER WASTAGE TO HIT GRAIN HARVEST

Close to 25 percent of the country's grain harvest could be threatened due to over-exploitation of ground water resources over the next two decades. Researchers from the International Water Management Institute (IWMI) -Tata Water Policy Program have warned that the mismanagement of vital natural resources such as ground water could "seriously hinder" the country's pace of development. Excessive extraction of ground water and declining water tables are also causing an alarming level of fluoride build up in water resources, posing a serious health threat to vulnerable populations. (Economic Times, 02/27/04)

AWARDS FOR INDO-US AGRO PARTNERSHIPS

The US Agency for International Development (USAID) is planning to stimulate India's economic growth through a revitalized agriculture sector, focusing on "cutting edge" agricultural science. It has announced six awards of up to \$300,000 each for partnerships between colleges and universities in the United States and India. The Indian Universities include Tamil Nadu Agricultural University, University of Agricultural Sciences, Bangalore, and the Punjab Agricultural University, while the US universities include Cornell, California, Michigan, Iowa, Purdue, and Ohio. (Times of India, 02/26/04)

SRI LANKA: SEEDS

The Seed Producers' Association (SPA) will push for importing low cost hybrid seeds to revive the agricultural industry in Sri Lanka. The SPA Chairman, Leo Nanayakkara, stated that the only way to revive the Sri Lankan agricultural industry is to increase the usage of high quality hybrid seeds. Mr. Nanayakkara added that investment to increase local production should be the strategy for the long term, while allowing imports as a short to medium-term measure. According to the SPA, the main problem faced by local farmers is the cost of seeds, as it accounts for around 50 percent of the total production cost. (Daily Mirror, 02/26/04)

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